

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: July 13-14, 2005

Reference No. 2.5g.(1)
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Norma Ortega
Chief
Division of Budgets

Ref: **FY 2004-05 RIGHT OF WAY LUMP SUM ALLOCATION ADJUSTMENT AND
PRELIMINARY CLOSE OUT REPORT. RESOLUTION FM-05-01, AMENDING
RESOLUTION FM-03-11**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the following Resolution, amending Resolution FM-03-11 originally approved on June 17, 2004.

FINANCIAL RESOLUTION:

Resolved, that the amount of ~~\$180,000,000~~ **\$160,000,000** be allocated for Right of Way (R/W) Capital Outlay expenditures for FY 2004-05.

SUMMARY AND CONCLUSIONS:

The above resolution amends the originally allocated amount of \$180,000,000, by \$20,000,000, reducing the R/W Capital Outlay funds for the 2004-05 fiscal year to \$160,000,000.

UPDATE:

In accordance with California Transportation Commission (Commission) Resolution G-01-09, the Department of Transportation (Department) must present an annual report on the Right of Way (R/W) capital outlay expenditure program for Commission review and acceptance. On June 17, 2004, the Commission passed Resolution FM-03-11, which allocated \$180,000,000 for the Department's FY 2004-2005 R/W capital outlay expenditure program. In May 2005, the Department reviewed the remaining fund balance and determined that the entire \$180,000,000 allocation would not be expended. In order to utilize all available funds, \$20,000,000 was redirected to fund emergency SHOPP pavement projects. This redirection reduces the \$180,000,000 allocation to \$160,000,000 and does not impact the Department's ability to deliver the 2004-05 or 2005-06 commitments. As of June 15, 2005, the Department has committed \$118,500,000 out of the \$160,000,000 allocation for R/W capital expenditures and fully expects to expend the remaining allocation at fiscal year end. A final report on the actual R/W capital

commitments compared to the allocated amounts, based on the Department's official book closing statement, will be provided at the August 2005 or September 2005 Commission Meeting.

The table below has been revised to reflect a reduction of \$20,000,000.

FY 2004-05 ESTIMATED ALLOCATION OF FUNDS FOR Right-OF-WAY (REVISED)
(Dollars in Thousands)

Major Capital Projects

STIP	\$ 33,700
SHOPP	\$ 51,000
	\$ 31,000
Design Sequencing (Post Certification)	<u>\$ 1,200</u>
Total Major Capital Projects	\$ 85,900

Fund Reservation:

Minor Projects, Seismic Retrofit, Storm Damage Projects	\$ 8,600
Post Certifications	\$ 62,000
Damage to Property (Inverse Condemnations)	\$ 10,000
Environmental Permits/Permits to Enter	<u>\$ 500</u>
Total Fund Reservation	\$ 81,100

<u>Pre-project Mitigation:</u>	\$ 13,000
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<u>Total Right of Way</u>	\$ 180,000
	\$ 160,000